

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5472**

1. Opening of Meeting:

The Appeals Board convened at 10:30, August 15, 2006 in Sacramento, with Chair Ann M. Richardson presiding.

2. Roll Call: <u>Members</u>	<u>Present</u>	<u>Absent</u>
Ann Richardson, Chair	X	
Virginia Strom-Martin	X	
Jack Cox	X	
Don Novey	X	
Terri Carbaugh	X	

3. Approval of the Minutes:

The July 11, 2006 minutes were approved by all members.

Chair Richardson stated that the agenda for today, August 15, 2006, incorrectly listed for approval the minutes of the June 14, 2006 Board meeting.

4. Chair's Report:

Chair Richardson opened the meeting by welcoming Pat O'Neil from the U.S. Department of Labor. She stated this was their first time meeting, and that it was a pleasure to meet him. She is looking forward to his presentation later in the meeting.

Chair Richardson reported that the Secretary of the Labor and Workforce Agency, Victoria Bradshaw, approved the quarterly meetings for the PALJ's, LSS II's and the LSS I's. That is going to be very good for the CUIAB in terms of continuity with respect to management and the conduct of the agency's business.

5. Board Member Reports:

Board member Novey noted the case load dropped off dramatically in July due to vacations.

6. Chief Administrative Law Judge/Executive Director's Report:

Executive Director/Chief Administrative Law Judge Jay Arcellana reported that beginning in October 2008, the Department of Labor will cease funding postage for the agency. In response to Chair Richardson's inquiry, he stated that currently all

of our indicia mail is paid for. That privilege will end effective October 2008, so the states will have to absorb that cost item in their budgets. For our budget it means two things; (1) CUIAB will need to find a way to deal with this loss of revenue, and, (2) in the long term look for ways to go paperless. Most of our mailings are in the form of decisions. He noted the Department is considering internet claim filing. CUIAB will be looking at ways to issue decisions on a paperless basis at the option of the parties over the next two years. We will also need to look at other ways to cut costs, such as in our leases.

Pat O'Neil, from the Department of Labor states that this money will be rolled into the agency's base budget, and states have bottom line authority on the dollars. The Department of Labor does not get involved in what the state's budget might be. Therefore, as stated, ideas to cut down on mail cost are very prudent.

Chair Richardson stated her concerns but that she liked the idea of going paperless.

Executive Director/Chief Administrative Law Judge Jay Arcellana reported that some of the large employer representative companies have been contacted and they are supportive of the paperless concept from their end. He added that going paperless may not be possible for the claimants, but should be available to the employer community because they have the means to do so. In response to Board Member Strom-Martin's inquiry, he reported that this would be a two-year transition, becoming effective October 1 of the Federal fiscal year '08.

Chair Richardson requested a ball-park figure for the cost of absorbing the postage. He stated he would have those figures for the next board meeting.

The second budget item he reported is that EDD has made a formal request of the Department of Finance to have the state pick up the increased cost of the salary increases which the legislature approved. It was discussed during the labor negotiations that agencies should not have to bear those costs within their existing budgets. We have provided for those increased costs within our budget, but it would be a boon for our budget if those costs were covered otherwise. In response to Chair Richardson inquiry, Executive Director/Chief ALJ Arcellana stated he spoke with the Administrative Officer at EDD, but we still have no answer.

On the national level, the State of Idaho has contacted our P&PM branch about the customer survey we conducted and reported at the NAUIAB conference, as they plan to perform a similar survey. They were impressed with the way our agency conducted the survey and have asked for our input. We are pleased to help out in that regard. These exchanges of experience and information between states serve to improve the performance of all states in the unemployment program.

Executive Director/Chief ALJ Arcellana reported the Department of Finance has approved the relocation of the Fresno Office. He states the request was made a year ago. We can now go out and site search an area for a new office. The current office is much too small for staff needs.

Executive Director/Chief ALJ Arcellana reported that our Delano outstation is having security issues. We determined that the cost of hiring a guard would exceed the cost of the lease, so we sought out other alternatives. We will now be sharing an existing space with DMV, which already has security for their facility.

Executive Director/Chief ALJ Arcellana further reported that the ALJ I list has been published. There are 177 names on the list spread out in six ranks; 10 participants failed the exam. This is a very competitive process, as illustrated by the experience of an individual who is a PALJ from New York. He flew out to take the exam, but did not pass. I met him and he seemed well-qualified. It gives an idea of what California expects from its judges verses New York, although New York is considered one of the more stringent states. Notwithstanding, he commended Tim McArdle and the personnel unit for all of their hard work on the exam.

Chair Richardson also commended them and especially thanked Tim McArdle on his assistance and guidance.

Executive Director/Chief ALJ Arcellana reported that FOHQ is transferring the board appeal function to AO. He explained that when a party files an appeal from a field decision, the local offices transfer them to FOHQ who would assemble the files and send the files to AO. He stated this is a cost cutting measure as well as an operational improvement, eliminating a middle step. In the past the files had been assembled in the local offices and then transferred to AO. AO then had to re-assemble the files because of the disparate practice in each field office, which, of course, was duplicative and time-consuming.

Chair Richardson inquired as to why the agency did not send an employee to FOHQ to be trained for this function instead of transferring the function to AO.

Executive Director/Chief ALJ Arcellana responded that that was what the agency had done previously; however, before this change all 12 field offices would send the files directly to Appellate. He reported the files were received in several different formats and, with the case load reduced at this time, having AO assume this function would provide for two additional employees for AO and AO could assure the files were put together properly.

Chair Richardson inquired, as to the out-stations, with respect to San Bruno particularly, if that out-station were to be closed, would we divert the cases to San Francisco and into the city.

Executive Director/Chief ALJ Arcellana responded that what the agency did in the past was to share a facility with EDD in San Mateo. However, the Department cut back on their out-stations and relocated their local staff into Hub offices. One of the smaller offices was San Mateo, and they asked us to leave that facility. He explained the office then relocated to the San Bruno facility; however, there are problems with that facility and it is not ADA compliant. Currently the agency is discussing with EDD the possibility of returning to the previously-vacated office, as

EDD's staff has been reduced dramatically, resulting in plenty of office space. An alternative would be to conduct a site search to locate something less expensive.

Chair Richardson agreed with possibly returning to the EDD office and stated her concerns about diverting the claimants and employers into the city or San Jose, which would be a difficult commute either way.

Executive Director/Chief ALJ Arcellana reported, regarding out-station facilities, the agency is going to close the Fremont and Watsonville facilities, adding that the parties would be within 15 miles of the next facility.

Board Member Strom-Martin agreed that getting back into the San Mateo office made sense.

Executive Director/Chief ALJ Arcellana reported we submitted to the Department of General Service our fiscal year-end report on contracting and consulting services. DGS commended our Administration Services and Business Services sections for an excellent job on the report. The report showed that the agency is doing well with respect to meeting quotas for contracting with small businesses, minority businesses, and business with disabled employees.

Chair Richardson requested a copy of that report.

Board Member Strom-Martin requested a copy of the report.

Board Member Carbaugh stated she would like a copy of the report.

Executive Director/Chief ALJ Arcellana reported he received an invitation from an agency inviting our staff to participate in a training session on how to defuse difficult situations that arise during the hearing process. He stated he will get more details and that the agency will send someone to participate in that process, particularly an ALJ.

Chair Richardson commented that the agency has had incidents arise where claimant or employers have been agitated, and she agrees the training session would be very beneficial.

Executive Director/Chief ALJ Arcellana reported the Agriculture Labor Relations Board asked for assistance in their Visalia regional office for a four-month assignment dealing with allegations of unfair labor practices with rumored union certification elections. Currently there are two people who have tentatively volunteered for the assignment.

Chair Richardson stated that sounded like a nice assignment, especially as she is interested herself.

Finally, Executive Director/Chief ALJ Arcellana reported that in the Los Angeles office this past Monday, Hearing Room 9 had seepage coming through the ceiling

and an odor due to being located directly under the grease trap of the cafeteria, which had not been cleaned in two years. The Los Angeles staff handled the difficult situation.

7. Branch Reports:

Each of the reporting staff congratulated Chair Richardson on her appointment, commenting that it was good for the agency to have someone with knowledge of the programs who can provide continuity to the agency.

a. Executive Director/Chief ALJ Arcellana reported on the workload for the month of July: for all programs we verified 22,234 cases, which is 2 percent above our '06 monthly average and 70 percent higher than in '05. In terms of verification by program, in UI we registered 20,098 cases, 3 percent above our monthly average for this year and 22 percent higher than July of last year. In DI we registered 1,534 cases, which was below our '06 average by ten percent. He stated this indicates that the UI workload has climbed steadily throughout the state fiscal year and appears to be staying there. At the same time the DI workload has dropped some.

Executive Director/Chief ALJ Arcellana reported regarding dispositions, that in July we had the fewest dispositions since September of '01. However, this is misleading in that due to the big push during the last week of June, dispositions that would normally have gone out the first week of July went out in June instead. In July the total dispositions of 15,610 was the fewest since September of '01. In UI the total dispositions was 12,766, which was also the fewest since September of '01. He reported in DI we were 37 percent above the '06 average because we picked up the DI cases that did not get mailed in June due to the UI push. He stated the numbers show, if you combine June and July, we have the greatest number of dispositions issued since August of '04. The workload continues to grow and is steadying out. We have a new ALJ list out and with attrition we will probably be hiring some new judges

Chair Richardson inquired as to how many new judges that might be.

Executive Director/Chief ALJ Arcellana responded that it depends on attrition, how many judges will retire, and how many will come back as retired annuitants. Other factors are the budget impact of the salary increase, and workload. He reported if workload increases we will deal with it then.

Executive Director/Chief ALJ Arcellana called for any questions.

Board Member Strom-Martin responded that she enjoys getting the weekly reports and that they are informative and very helpful.

Executive Director/Chief ALJ Arcellana turned the floor over to Pat O'Neil from the U.S. Department of Labor.

Mr. O'Neil began by providing handouts to the Board Members, Executive Staff, and members of the audience. He stated how pleased they are with Chair Richardson's appointment and that they are always happy when someone who is knowledgeable in the Unemployment Insurance program is selected for a key position. He stated that unemployment is a federal – state partnership, and appeals are a very important part of that partnership. It is the only UI function specifically defined in federal law. Claimants are required to have a hearing if their benefits are denied under 303(a)3 of the Social Security Act. Employers' right to appeal is derived from the methods of administration requirement set forth in 303(a)1.

Mr. O'Neil spoke about the two basic Federal requirements, (1) promptness, and (2) quality. The Department of Labor is phasing from an old promptness measure of the percentage of cases completed in 30 and 45 days and they are moving to an average age of pending cases. California helped to develop the new measure by participating in a pilot a couple of years ago. He stated they believe the pending-cases method is a far better measure for determining promptness than the 30 and 45-day measure. He continued that the pending-cases method measures off of the backlog of cases and the 30 and 45-days measures off of the completed cases. He referred to the handout dealing with Average Age of Pending Cases which is what the promptness requirement will be in the next year or two. He states that they have not set a standard yet; however, he predicts it will be about 32 days in lower authority and in the higher authority about 45. He indicated that this is an especially good achievement since two years ago our average was about 79 days. He stated the agency has worked very hard and achieved great success in pulling everything together. He stated that it is more difficult for California because the state is so large and that about one in every seven UI payments nationwide is made in California. California has over 200,000 appeals in which it holds hearings every year, and the next largest state in the region is 27,000, which is the high end of a medium size state. The agency's largest office, Sacramento, has the claim load of the state of Michigan. He continued to state that each one of the agency's offices has state-sized claim loads. He recognized that it takes a lot of administrative skill and effort to manage a caseload of that size, including the utilization of as much automation possible and the courage to decentralize decision-making. He stated he is very impressed with the management staff Executive Director/Chief ALJ Arcellana has assembled, and with the excellent work they do in achieving the success of the agency.

Chair Richardson stated her agreement and thanked the staff for the excellent job they do.

Pat O'Neil continued his report by stating he is most pleased with the CUIAB's quality review. He stated it is a federal requirement that hearings and decisions pass a quality review, which is an extensive process of evaluation involving many elements. All of the states are required to participate. Most states sample 20 decisions a quarter; however, California does 40 because it is a large state and

that is how they come up with the quality scores. However, when the workload greatly increased in California, CUIAB reacted by trying to do as many cases as possible, and as a result quality suffered during that period.

Board Member Novey inquired as to when that took place.

Mr. O'Neil advised it started about June 30, 2003, and lasted about two years. California was at the bottom of the list with only 66 percent, when it should be at 80.

California is now at 91 percent, a terrific achievement because of California's size. He stated that if any state gets behind, a small state, that it takes a year to catch up whereas California, being a large state, took three to four years. This causes the time-lapse, the old measure, to go down and as the state begins to pull out of it the time-lapse gets worse due to doing very old cases, and the old standard measured completed cases. He stated this makes it appear as though the state is doing worse; however, it is really doing better and that is why the pending cases measure is a far better measure of the progress. He referred to the chart, Lower Authority, which shows that Hawaii has been making their time-lapse for a number of years; however, they have done so at the expense of their backlog. He stated it is possible to work the numbers because it is only 30 or 45 days so if the 30-day is missed there is no incentive to do it sooner because the state can always go for the 45-day. He stated that if you miss the 45 days there is no incentive then to do the cases at all. As an example, Hawaii's average age of pending cases is 1,061 days, which means they are in big trouble when the Department of Labor moves to the new measure, because that is about 1/5 of their yearly workload.

Pat O'Neil noted as an interesting fact that yesterday it was 71 years ago that the Social Security Act, which started the unemployment insurance program, was signed. Only people who work get this program. The program functions as a stabilizer for the economy, and the cost of administration is only 6 percent. He stated that CUIAB's part, appeals, is to maintain full payment when due, to assure people are getting it or not getting it. He stated the reason they came up with these standards in the first instance is the Java decision, a California Supreme Court case which held that states are to provide full payment when due as soon as administratively feasible. That's why they are always after the agency to do the decisions simple, fair, and fast.

Chair Richardson thanked Pat O'Neil very much for the presentation and stated it was wonderful to know the agency has improved so much while four of the current five Board Members were on the Board. She also commended the entire agency for this achievement.

Board Member Strom-Martin and Chair Richardson requested a copy of the quality review elements.

Pat O'Neil commented that the quality training the agency conducted was remarkable and commended Randy Peterson for an excellent job. He also commended the commitment to quality from upper level management, not only in speech but also in resources, and stated that not meeting requirements was just not tolerated.

Board Member Novey asked when was the last time Mr. O'Neil was before the Board, was it possibly in '03 when the agency had problems.

Mr. O'Neil responded that he thought it was in '03.

Chair Richardson commented that she joined the Board in October of '03 which was when the agency learned it was at the bottom of the barrel at that time, and she was surprised; however, she stated this agency takes great pride in doing their job well and she had no doubt the agency would improve greatly, and it has.

Pat O'Neil stated that the Department of Labor tries to work behind the scene as much as possible, that although this is a state/federal partnership they do not want to try to over impose on the state.

Board Member Carbaugh asked if his report could be given annually, which Chair Richardson seconded.

Pat O'Neil stated he would be pleased to do so. Pat O'Neil commented that he also does legislation. He stated he receives calls from the California legislature inquiring about in-person hearings in California, frequently asking if it wouldn't save money if the hearings were conducted by phone. He stated he replies that it all depends: CUIAB is decentralized and in-person hearings can work out very well if the agency is decentralized. He added that, with the mail issue, if the agency did conduct hearings by phone, the agency would have to copy and mail all the exhibits, an expensive proposition. He commented that a phone hearing makes for a longer hearing if there is a lot of translation. Accordingly, doing most of the agency's hearings in-person is probably actually a good business decision, saving the agency money, and providing better service to the parties. He stated this is only his opinion but he has been in the business for over 30 years.

Chair Richardson stated that regarding quality and due process it makes sense to keep the hearings in-person.

Mr. O'Neil stated it is easier to determine credibility with in-person hearings, where you can look the person in the eye.

Chair Richardson agreed and stated very often a case comes down to credibility.

Mr. O'Neil added that with identification being so important in the state, many times an appeal is the only time the agency sees the person since EDD takes the claims over the phone. The only time the agency sees anyone is when they come to the hearing, and that is very important.

Chair Richardson agreed and thanked Mr. O'Neil for the presentation.

b. Deputy Chief ALJ , Appellate Operations, Stephen Angelides reported now that the agency is more than halfway through the calendar year, it's becoming apparent that the expected reduction in workload from last year has not really materialized. Last year AO's average monthly registrations were 1,387, and so far this year their average has been 1,359, a difference of only 2%.

Deputy Chief ALJ Angelides stated that AO's dispositions in July dropped to 1,156, which is 85% of the calendar year average, due to ALJ vacations. The ALJ loans from the field kept AO from losing even more ground in dispositions. As anticipated, the combination of the increase in registrations and the decrease in dispositions erased most of the reduction in our open balance AO achieved in June, bringing their balance of open cases back up to 2,297 cases, which is 98% of their calendar year average.

Deputy Chief ALJ Angelides reported AO's average case age in July dropped again to 34 days, which is 84% of their calendar year average. Their median case age stayed the same at 31 days, which is 85% of their calendar year average. As the large group of cases registered in July matures, he expects to see AO's average case age increase in the next month or two.

Deputy Chief ALJ Angelides stated the board may recall that in his report last month he said the FO to AO appeal rate statistic they were using did not truly represent the appeal rate. It takes about a month from the time a case is closed in FO to the time an appeal is registered in AO, but the statistic was comparing the number of cases registered in AO in a month to the number of cases closed in FO that same month. After his report P&PM promptly changed the way that statistic is computed. It now compares the number of cases registered in a month in AO to the number of cases closed in FO the previous month. It is now a more meaningful statistic, and the appeal rate calculated using that method is more stable. Using the new method there was a reduction in the appeal rate, from 5.8% in June to 4.7% in July. He states if it had not have gone down they would have had even more registrations in July.

Deputy Chief ALJ Angelides noted he was pleased to report that ALJ Bill Purcell, who had been on long-term loan from the Sacramento Office of Appeals to Appellate Operations for several months, officially transferred to AO, effective August 2, 2006. He said they were delighted to have Bill permanently back with us in AO.

Deputy Chief ALJ Angelides reported that three AO ALJ's retired last year. Because of those retirements, even after the transfer of ALJ Purcell, AO is still under-staffed by two ALJ's compared to last year, they are going to either need to transfer additional ALJ resources into AO, or continue to use retirees or loans, or both.

Chair Richardson inquired if the agency currently has retired ALJ's who want to come back as annuitants.

Deputy Chief ALJ Angelides stated that fortunately AO does, they have four retired annuitants, two of whom are available now and a third, ALJ Tamara Pierson, will hopefully become available in September because she has moved back to town now that her son is recovering from his serious auto accident. Additionally, AO has ALJ Mike Canar who is traveling for a few months but will hopefully be available towards the end of the year.

Chair Richardson inquired if AO is still using the ALJs from Oakland.

Deputy Chief ALJ Angelides replied they have two from Oakland, ALJ Linda Bytof and ALJ Carol Larson, and one from FOHQ, ALJ Betsy Temple, who have been with AO through the summer and which they will continue to use until the end of summer. Then AO will probably switch to retirees in the fall.

Chair Richardson asked Deputy Chief ALJ Angelides to tell ALJs Bytof, Larson, and Temple that they have done a wonderful job and that she has enjoyed reading their decisions. She requested he also thank them for coming to AO.

Board Member Strom-Martin concurred.

Board Member Novey inquired if they volunteered.

Deputy Chief ALJ Angelides replied yes, they did volunteer.

Deputy Chief ALJ Angelides also reported AO is also down 6 employees from their peak support staff level last year, so they are understaffed in all areas. They have been doing their best to fill the gap this summer with student assistants, retirees, and loans, but that will not be sufficient in the long term. AO has requested several new employees, and so far have been approved for one permanent intermittent employee and two student assistants. AO hopes to fill these positions soon and start training these new employees for their support staff.

Chair Richardson questioned if that meant one permanent intermittent and two student assistants, inquired if the two student assistants worked part-time, and asked if that was as effective as hiring one permanent.

Deputy Chief ALJ Angelides affirmed that the two student assistants did work part-time and stated that it was not as effective as having one permanent. He stated that AO has requested additional positions and assumes that more will be approved. He stated that the student assistants just help fill in the gaps. He adds that AO has requested four permanent and/or permanent intermittent positions with one position already being approved.

Chair Richardson clarified that AO is down six positions; they have one position and two student assistants, and questions whether AO wants five more positions.

Deputy Chief ALJ Angelides replied that AO has requested four positions all together and they have approval for one and are hoping for three more.

Chair Richardson thanked Deputy Chief ALJ Angelides for the clarification.

Deputy Chief ALJ Angelides stated, as reported by Executive Director/Chief ALJ Arcellana, the processing of incoming Board Appeals has been transferred from Field Operations Headquarters (FOHQ) to AO, as part of the reorganization of FOHQ. Deputy Chief ALJ Angelides went on to state that along with the work, AO gained a new support staff member, Madonna Harden, who has been doing this work in FOHQ for the past few years. The AO support staff had a breakfast reception for Madonna and the student assistant who also transferred to AO from FOHQ. He stated they are delighted to have these additions to AO's support staff, and they believe this move will increase the overall efficiency of handling Board Appeals.

Deputy Chief ALJ Angelides stated he was pleased to report that the training of Board member Carbaugh is almost completed, and that she is carrying a full caseload. He congratulates Member Carbaugh for being an excellent student and also ALJ Marti Geiger and the AO ALJ's who provided the training.

Board Member Carbaugh commented that she has not received her report card yet.

Deputy Chief ALJ Angelides stated she would receive all excellent.

Deputy Chief ALJ Angelides noted that at the last Board meeting Chair Richardson and Member Strom-Martin raised the issue of scanning medical records in disability cases. In response, AO initially decided to temporarily scan all medical records in disability cases. They were then promised additional resources to do this on an ongoing basis. Deputy Chief ALJ Angelides stated he was pleased to report that AO will now be scanning all medical records in disability cases on an ongoing basis.

Chair Richardson thanked Deputy Chief ALJ Angelides for AO scanning the disability medical documents.

Board Member Strom-Martin affirmed and stated that she and Chair Richardson found reviewing the medical documents helpful in disability cases.

Deputy Chief ALJ Angelides went on to report that another operational issue has arisen over the past several weeks of which the Board should be aware. Unfortunately several weeks ago a decision in a tax case went out before the deadline for EDD's written argument. AO investigated and initially believed the problem was solely due to human error. They investigated further and have discovered several problems with CATS. CATS is the California Appeals Tracking System, which is the computer system they use to manage their cases. Mary Mitchell of IT and our LSS II Ana Ibarra worked together and created four reports

which AO can run in CATS. These reports can help AO identify the problem cases, track them down, correct the information in the system, and prevent the decision from going out prematurely. He reported that AO is now running those reports weekly, and also that he is hopeful that these new reports will help AO prevent any more decisions from going out prematurely.

Chair Richardson asked if this was computer error.

Deputy Chief ALJ Angelides replied predominately it was.

Board Member Carbaugh questioned why the decision went out prematurely.

Deputy Chief ALJ Angelides responded that AO has a deadline for written argument and that AO has to wait for that deadline so that that written argument can be received and reviewed by the Board before the decision is issued. He stated if the written argument date is incorrect in CATS the case gets a submission date before the written argument date; the case goes to the board, the board issues a decision and if that is not caught by someone that decision can go out.

Board Member Carbaugh clarified that the computer was indicating that the date had passed and it was time to issue a decision when it really wasn't.

Deputy Chief ALJ Angelides stated that although CATS has not been corrected AO has these four reports that AO is running weekly and he is hopeful these new reports will help AO prevent any more decisions being issued prematurely.

Chair Richardson inquired if AO does a manual sampling or is it all computer generated reports.

Deputy Chief ALJ Angelides responded that it is the ALJ's job to look at the file and to make sure if there is a written argument request that the written argument is there; unfortunately, this was also overlooked by the ALJ, who is very conscientious.

Chair Richardson remarked that the written argument could be buried at the bottom of the file and inquired if there was anything to prevent AO from stamping the outside of the file stating written argument requested and then writing the date or is it a personnel issue requiring too much work.

Deputy Chief ALJ Angelides explained that it actually is a complicated process because there are multiple parties, two and in some cases three, where there is a request for the record so you get a date then. That party may or may not request written argument after they get the record; so there is one date. Then the other party requests the record and may or may not request written argument. If there is a records request there may be a written argument request. There may be a written argument submitted even without a record request. Therefore it is a constantly changing date.

Chair Richardson stated if it is the ALJ's responsibility then they have to get this information from someplace and she inquired as to where the ALJ's will locate this information to adhere to the due dates unless the ALJ's are reading every scrap of paper in the file. She further stated she did not want to create an erroneous burden on AO to have to do this and she questioned whether there is a simpler process and inquired if anyone is interested in figuring out an answer to this current dilemma that possibly they should take the time to talk about the process for clarification and to prevent this from happening in the future. She stated that she does not like that this happened at all, however she can understand how it would happen.

Deputy Chief ALJ Angelides opined that the best way to fix this is to correct the problems with the computer.

Chair Richardson tabled the discussion for a later date thereby allowing the board the opportunity to have a lesson on how this issue actually happened. She stated she appreciates Deputy Chief ALJ Angelides reporting on that issue and understands that AO is currently working on CATS to alleviate the problem.

Board Member Carbaugh noted she is unaware of the outcome of these incidents and would want to assure that whoever was impacted by this issue was notified appropriately.

Deputy Chief ALJ Angelides stated the outcome is that once a board decision is issued it is final and if the party wanted to challenge the decision they would have to go to court. He added that if the case went to court, the Chief Counsel would stipulate that the board made a mistake and the case would come back so there would not be a fight in court; however, the court would have to correct it. He stated it did not get to that point in that particular case.

Deputy Chief ALJ Angelides reported that on the social scene, AO had ALJ Mike Canar's retirement picnic last month. Over 50 people attended from CUIAB and from Mike's former agency, the Department of Personnel Administration. Deputy Chief ALJ Angelides stated that when it came time for Mike to speak he was almost speechless, which was a first for Mike as far as he knew. It was a heartfelt send-off for an ALJ with a lot of heart. Mike is celebrating his retirement by refusing to accept any new assignments as a retiree for several months while he travels and enjoys his new home.

c. Deputy Director, Administrative Services Branch Pam Boston reported that the Units 1 and 4 contracts are still waiting to be ratified by the legislature. Included in these contracts are a 3.5 percent salary increase, retroactive to July 1, and a \$1,000 bonus for our Unit 1 and 4 employees. She stated this will impact approximately 320 people. She went on to state that bargaining Unit 2, the attorneys, recently increased their mileage rate to 44.5 cents per mile, effective retroactive to July 1, 2006.

Deputy Director Boston noted that on August 3, CUIAB participated in a blood drive and that we coordinate with the State Compensation Insurance Fund to have the mobile unit come out every eight weeks. This is an ongoing event that the agency has been involved with for quite a while.

Deputy Director Boston also reported that they will be distributing a memorandum on the kick-off for the California State Employees Charitable Campaign. She stated they are asking for volunteers to serve as the key campaign workers. Last year the agency had about \$17,000 in donations and this year we are hoping to at least meet that or exceed that amount. She stated there will be more about that campaign coming out in the near future.

Deputy Director Boston reported that the American Heart Walk is scheduled for September 14, and that they have a group of individuals who have volunteered to spend some time on that campaign. She noted that the theme for this year's event is "Walk Honoring CUIAB's Family Associated with Heart Disease." More on that event will also be coming out.

Chair Richardson mentioned that along those lines, there is an annual Foster Youth Education Fund Spring Tea and Fashion Show on October 6. This is an annual event that provides scholarships to emancipated foster youth for school, vocational, JC, or 4-year college. She stated that this event is now five years old.

d. Deputy Director, Planning and Program Management Branch Mary Walton-Simons reported Ralyne Long of her branch provided formal Reception Training to the receptionist staff in the Inglewood Office. P&PM will provide additional training for other Inglewood support staff functions as requested by the PALJ or office supervisors.

P&PM also received a request from the Fresno Office to conduct an evaluation/audit of the job functions performed by their supervisors and support staff toward assisting staff and managers perform their work more efficiently and easily. The PPM staff will be assessing whether staff is adhering to agency policy and procedures, if they are processing work efficiently and meeting time lines, and then identify if staff needs on-the-job training.

Deputy Director Walton-Simons advised that there are five major goals identified in CUIAB's Strategic Plan. Each of these goals has a number of Objectives, and one of these Objectives has now been completed. This Objective is titled "The Special Assistance Program" and the goal was to develop and implement a program that will increase access to those who are disabled and/or require additional language services by June 30, 2006. This objective was completed by meeting the following deadlines:

Language Services Training:

- The completion of interpreter training for 245 interpreters. This training was conducted by a panel consisting of our Bilingual Services Coordinator, Martha Silva, a state certified interpreter, and an introduction/overview provided by our Chief ALJ.
- The completion of training to all certified CUIAB bilingual support staff.
- The completion of training of all CUIAB ALJs. This training was conducted during one of our Judicial Conferences.
- All routinely issued publications are now translated into Spanish.
- And, CUIAB's website is now translated in Spanish.

The second part of this objective addresses Services to Disabled Persons. This was coordinated through the efforts of Pat Houston, Manager of the Business Services Division in CUIAB. The following objectives were met:

- The completion of a survey of 12 appeals offices and 27 hearing facilities statewide for physical accessibility compliance.
- Provided solutions & cost estimates to mitigate physical accessibility barriers.
- Develop a Transition Plan that will show when items of work are scheduled to be completed.
- Two hearing facilities were found to have physical barriers.
- San Bruno
 - the public is offered alternative methods to access CUIAB services during the next two years of the lease.
- Oroville
 - The Oroville hearing facility was relocated to an accessible building in Chico. This relocation was completed in February 2006.

Deputy Director Walton-Simons reported on a personal note that Jeanette Perez's husband passed away in the early morning of July 17th. Jeanette is the agency's training coordinator and has worked at the Judicial Conferences and national conferences for many years, so a number of CUIAB PALJs, ALJs and staff have been in contact with her sending her cards and notes. The Board and Executive Staff, and PPM Branch, both sent flowers.

8. Chief Counsel's Report:

Chief Counsel Ralph Hilton reported, as reflected in Deputy Directory Angelides' report, that the Board's workload was down somewhat in July, with an average of 412 cases for each Board member.

On the litigation front, the Board is currently carrying 126 cases; two new cases were filed in July, and four cases were closed, all of which affirmed the Board's decision. *

9. Unfinished & New Business:

There were no items scheduled.

10. Public Comment:

There was no public comment.

11. Closed Session:

The regularly scheduled Board meeting adjourned, and the Board went into closed session. No votes were taken in closed session.